

CONTRACT FACILITIES CAPITAL AND COST OF MONEY

(See Instructions on Page 2)

CONTRACTOR BUSINESS UNIT ADDRESS	RFP/CONTRACT PIIN NO.
	PERFORMANCE PERIOD

Form DOT F 4220.34 (Rev. 10/94)(EXCEL) PREVIOUS EDITIONS ARE OBSOLETE

INSTRUCTIONS FOR DOT FORM 4220.34 CONTRACT FACILITIES CAPITAL AND COST OF MONEY

PURPOSE. The purpose of this form is to compute the estimated facilities capital to be employed for a specific contract proposal. An intermediate step is to compute the estimated facilities capital cost of money, using the Facilities capital Cost of Money Factors developed on Form(s) CASB-CMF (See FAR 30.414 - Appendix A). This procedure is intended to be fully compatible with Cost Accounting Standard 414 "Cost of Money as an element of the Cost of Facilities Capital," and extend those criteria and techniques to prospective periods for forward pricing purposes.

IDENTIFICATION. Identify the contractor, business unit and address. Identify the specific RFP or contract to which the computation pertains. Identify the estimated performance period of the contract.

OVERHEAD POOLS (Col. 1). List all business unit overhead pools and direct-charging service/support centers whose costs will be allocated to this contract. The structure must be compatible with the contractor's cost proposal and Forms CASB-CMF (See FAR 30.414 - Appendix A).

COST ACCOUNTING PERIOD (Col. 2). This column is used only for the "projected" method of estimating contract facilities capital employed and cost of money. Each Overhead Pool listed must be further broken down by each Cost Accounting Period impacted by the performance period of the contract. The yearly breakdown must also correspond to yearly overhead allocation bases in the contractor's cost proposal, and to separate Forms CASB-CMF for each listed. If the "historical" method is used, the column should be ignored.

CONTRACT OVERHEAD ALLOCATION BASE (Col. 3). For each Overhead Pool and Cost Accounting Period listed, record the same Contract Overhead Allocation Base amounts used in the pricing report to derive the pre-negotiation cost objective. Such amounts should be the same as those used for burdening contract overhead or applying service/support center use charges. The base units-of-measure must agree with those used on the Form(s) CASB-CMF.

FACILITIES CAPITAL COST OF MONEY FACTORS (Col. 4). Carry forward the appropriate estimated Facilities Capital Cost of Money Factors from the Form(s) CASB-CMF. Business units, overhead pools and cost accounting periods must agree.

FACILITIES CAPITAL COST OF MONEY AMOUNT (Col. 5). The product of each Contract Overhead Allocation Base (Col. 3) multiplied by its related Facilities Capital Cost of Money Factor (Col. 4).

CONTRACT FACILITIES CAPITAL COST OF MONEY (Line 6). The sum of Col. 5. This represents the contract's allocable share of the business unit's estimated cost of money for the cost accounting period(s) impacted by the contract performance period. Therefore it represents a portion of the total(s) of Col. 5 of Form CASB-CMF.

FACILITIES CAPITAL COST OF MONEY RATE (Line 7). The same Cost of Money Rate used in Col. 1 of the Form(s) CASB-CMF. Only one rate will be used in the facilities capital estimating process regardless of the length of the contract performance period.

CONTRACT FACILITIES CAPITAL EMPLOYED (Line 8). The quotient of Line 6 divided by Line 7. This represents the contract's allocable share of the business unit's estimated facilities value for the cost accounting period(s) impacted by the contract. Therefore it represents a portion of the total(s) of Col. 4 of Form CASB-CMF.